

easy to give protection in this case; there are more persons affected by it.

I think the law as it stands now is very good, as it has been construed by the court of appeals, and is well settled with the exception of the point in relation to the contract for the payment of the taxes by the borrower. I am myself doubtful whether such a contract would be justified under the law. It is certainly an indirect mode of taking more than six per cent. For, if the taxes amount to one per cent., the making a contract at six per cent. with a stipulation that the borrower should pay the taxes, would be the same as if the lender took seven per cent. and paid the taxes himself. It is usual for the borrower to pay all the expenses for executing the contract. And if he makes a contract to pay the taxes also, and the money is worth that to him, I do not see any great objection to it. As it is now, the contract may be entirely confidential between the parties. And out of a million of contracts I do not suppose that more than one or two out of a hundred become subject to the laws about usury. Among commercial men it is understood that no contract of that sort should be set aside by the plea of usury. Still the law in some cases may avail for purposes of justice and to prevent oppression. And it may be some restraint upon those who would be grasping, who would take every advantage of a man's necessities. It is true you cannot prevent that altogether. A man who has his corn house full while his poor neighbor has not credit to get it ten or fifteen miles off for a less sum, may charge him more than the market price for it. That is a practice which is wrong; it is not doing as he would be done by; it is against the moral law, and is immoral in that aspect of the case. But those cases are few, and public opinion will regulate that matter to a great extent.

While I disclaim any idea that there is any immorality in a contract for the loan of money, yet I know there are times when six per cent. would not be an adequate compensation. And in those cases the party may contract for and receive more than six per cent., (it is done in thousands of instances,) if there is no litigation about it. But if it does come into litigation and there has been oppression practiced, the party is relieved to the extent of the interest above six per cent. This is to be said in favor of that; that whereas those who engage in any other business, in farming, merchandise, in speculations of various kinds, have to run the risk of the loss of all they have invested, it is not so with the money lender. A man invests his money in manure, puts it upon his land, sows his seed, bestows upon it all his labor, and then a blight comes, upon his wheat crop especially, a week or two before it matures, and his prospects are blasted, and he loses all his money and labor. But for

those who lend money on interest, the interest goes on whether it be cold or hot, whether it rains or shines, day or night, whether he sleeps or wakes; his interest is all the time accumulating, if his loan is well secured. In that respect he has a great advantage over those engaged in other kinds of business, which are attended with great hazards.

With all due respect, therefore, to those who have submitted propositions here, I think that the present system which has now been in operation for some twelve or fourteen years, is about the best. The system relieves the subject from the idea of attaching immorality to such contracts, and I think we better leave it as it is. Let a man make his contract; let him take his chances; let him be sure of the man he deals with. He can tell if he is a fair and honorable man, and can contract with him according to the money market. In the city those who lend understand very well the character and standing of those who borrow. And in the counties a man is very apt to know to whom he lends, and takes care of the security. I think we cannot better the present system. As to what New York does, all I can say is that Pennsylvania and Philadelphia, being between us and New York, get along very well at six per cent. And I cannot understand why capital should pass through Philadelphia and go to New York, especially when after it gets there it is beyond the personal supervision of those who own it, and is in the hands of the money brokers and capitalists of New York, who will have their percentage on all the investments they make. I do not think capital is sent there to any great extent. I am, therefore, in favor of retaining the present system, leaving contracts between parties to the operations of the law as it now stands.

The question recurred upon the motion of Mr. DANIEL to strike out "six" and insert "seven" as the legal rate of interest.

Mr. THOMAS called the yeas and nays upon this question, and they were ordered.

The question was then taken, by yeas and nays, and resulted—yeas 8, nays 63—as follows:

*Yeas*—Messrs. Abbott, Cushing, Daniel, Gale, Hatch, Hopper, Parker, Ridgely—8.

*Nays*—Messrs. Audoun, Berry, of Prince George's, Billingsley, Blackiston, Bond, Briscoe, Carter, Chambers, Clarke, Crawford, Cunningham, Dellinger, Dennis, Dent, Duvall, Earle, Ecker, Edelen, Galloway, Hebb, Hollyday, Hopkins, Horsey, Johnson, Jones, of Cecil, Jones, of Somerset, Kefer, Kennard, King, Larsh, Lee, Mayhugh, McComas, Mitchell, Miller, Morgan, Mullikin, Murray, Negley, Nyman, Parran, Peter, Pugh, Purnell, Robinette, Russell, Sands, Schley, Schlosser, Smith, of Carroll, Smith, of Dorchester, Smith, of Worcester, Sneary, Stirling, Swope, Sykes, Thomas, Thruston, Turner, Valliant, Wickard, Wilmer, Wooden—63.